Employment Programme are made by a Committee at the district level wherein bank representative is also present;

(b) whether instances have come to the notice of Government that persons selected by this Committee are not financed by the banks; and

(c) what action Government propose to take in such cases?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c) Under the Self Employment Scheme for Educated Unemployed Youth (SEEUY), a Task Force has been constituted at the District Level under the Chairmanship of General Manager, District Industries Centre (DIC) with a representative each from the leading bank, two other leading banks in the district, concerned Small Industries Service Institute, District Employment Officer and Credit Manager (DIC) as members. This Task Force is responsible for identifying and preparing the schemes in industry, service and business sectors; selecting suitable entrepreneurs and determining the avocations/activities of such entreprenurs etc. The applications received by the District Industries Centres after scrutiny by the Task Forces are forwarded to the banks for sanctioning the loan amounts. Bank branches are required to appraise the proposal and ascertain the bankability of the proposed activity by pre-sanction field visits and scrutiny of the proposal sponsored by the Task Force. Thus, there may be instances of rejection of applications by banks recommended by the Task Force if the proposed borrower is not creditworthy and the proposal is not financially viable and technically feasible. However, complaints relating to rejection of applications by banks as and when brought to the notice are duly investigated.

**Financial help for agro-based projects**

1663. SHRI H. HANUMANTHAPPA: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that Gramin Banks do not advance more than five thousand rupees for agro-based village industries as well as for poultry units;

(b) whether Government are also aware that nationalised banks do not finance in the areas catered by the Gramin Banks; and

(c) if so, what steps are being taken to overcome this situation so as to help the rural people to take up agro-based projects?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c) National Bank for Agriculture & Rural Development (NABARD) has reported that no upper monetary limit has been prescribed for financing by Regional Rural Banks agricultural as well allied activities including poultry farming provided the projects are financially viable and technically feasible. RRB's also finance individuals upto Rs. 30,000 for specified cottage, tiny and village industries for which NABARD provides refinance facilities.

NABARD has further reported that at present there is no restriction on nationalised banks to finance in areas covered by Gramin Banks. However, on introduction of srevice area approach from 1st April, 1989, while Gramin Banks will finance target group beneficiaries in the villages allotted to them, the commercial banks would take care of all other categories of borrowers.